Brett Neely, Minnesota Public Radio

Washington — The U.S. Senate passed another short-term funding measure Thursday to keep the federal government operating for three more weeks, cutting \$10 billion worth of federal spending in the past month, but so far the cuts only affect a few Minnesota programs.

Republicans argue that deep and immediate cuts are a painful, albeit necessary medicine to restore the nation's fiscal health.

Republican Rep. Chip Cravaack said he was sure that there were projects in his northeast Minnesota district that would be affected by budget cuts.

"I mean you can't have \$14.1 trillion in debt and start doing the cutting [and] savings that we're trying to do and not have something affected," Cravaack said.

Rep. Collin Peterson, a longtime Minnesota Democrat and a member of the fiscally conservative Blue Dog coalition, said these past two rounds of cuts were easy.

"Most of these cuts are things that [President Barack] Obama has proposed or agreed to, and I can't see that they're going to have much impact on the state or agriculture for that matter," Peterson said.

More than half of the \$10 billion that's already been cut came from eliminating earmark spending — something the House had already pledged to do.

Among those endangered earmarks: \$2 million to research bovine tuberculosis at the University of Minnesota, \$500,000 for a battered women's shelter in Minneapolis and \$1 million to expand a road in Mankato.

One federal program on the chopping block that will affect Minnesota is the State Health Access Program, which subsidizes health insurance for adults with a low income. It preceded last year's health care bill and now the Obama Administration says it is redundant.

"Most of the adults in our program are working, but they're not getting healthcare coverage through their employer or if it's offered, it's not being offered at a cost that's possible for them," said Debra Holmgren, the executive director of the non-profit Portico Healthcare, which gets a \$1 million a year from the program.

The state would have received about \$24 million over the next three years from the program to fund organizations like Portico. But now, with that funding gone, Holmgren said 700 people served by Portico will lose their insurance and the Minnesota Department of Human Services says 4,600 people will be hit statewide.

Holmgren said most of those people won't be able to get other insurance until the new health care law's subdivides kick in 2014.

Many of the cuts so far are to small programs like this one. But not for much longer, said DFL Rep. Betty McCollum.

McCollum said if Republicans make good on their plans to cut \$60 billion worth of spending this fiscal year, they face a tough slog.

"So they've gone for earmarks and some easy low-hanging fruit, I guess you could say," McCollum said. "But the bottom line is, crunch time is coming."

The only hope of getting a spending bill that lasts through the year is if House Republicans, Senate Democrats and the White House reach a longer-term agreement on how to cut the deficit.

DFL Sen. Amy Klobuchar calls the proposals of the president's deficit reduction commission last year a blueprint for a grand bargain among lawmakers.

Among the measures that the commission proposed were major tax reforms to increase government revenues, spending cuts and caps to slow the growth in Medicare spending and a gradual increase of the retirement age.

"There are cuts that we are going to have to make as a country and everyone is going to have to share in this," Klobuchar said. "However, to really bring the debt down, we really have to do some long-term thinking about all of the ways we tax and all of the ways we spend our money with the government."

In the meantime, the government will continue to limp along on its sixth short-term funding bill of the fiscal year.

McCollum said the real cost to the state is the uncertainty these stop-gap measures create.

"Parents don't know if their child is going to be enrolled in Head Start in St. Paul and around the Twin Cities," she said. "It means that college administrators who we're hearing don't know how to put together financial aid packets because they don't know what the Pell Grant levels are going to be."

With Republicans and Democrats still disagreeing over how to move forward, it's that uncertainty that could have the greatest impact on Minnesota.